

Add Section 6369.6 to the Sales and Use Tax Law to provide an exemption for sales and purchases of items used to install a chair lift for use in the residence of a physically handicapped persons.

Source: Honorable Dean Andal

Under existing law, the sales or use tax applies to the sale or use of tangible personal property in this state, unless otherwise exempted or excluded by statute. A specific exemption is contained in Section 6369.4 of the Sales and Use Tax Law with respect to modifications to vehicles for physically handicapped persons. Specifically, Section 6369.4 exempts the sale and purchase of items and materials which are used to modify a vehicle for physically handicapped persons and for the portion of the sales price or gross receipts of a vehicle that has been modified for a physically handicapped person and sold to a disabled person who is eligible to be issued a distinguishing license plate or placard for parking purposes pursuant to specified provisions of the Vehicle Code (charges for a wheelchair lift installed on a vehicle, for example, are exempt from sales and use tax).

The existing Sales and Use Tax Law provides a variety of other sales and use tax exemptions related to sales and purchases of property related to healthcare and associated necessities of life, as follows:

- Section 6369 provides an exemption for the sale and purchase of prescription medicines for the treatment of human beings. "Medicines" has been defined and redefined over the years to include a wide variety of items, including, among many other things, orthotic and prosthetic devices, programmable drug infusion devices; insulin and insulin syringes, artificial limbs and eyes, and custom-made biomechanical foot orthoses.
- Section 6369.1 exempts the sale and purchase of hemodialysis products supplied to a patient on order of a licensed physician and surgeon, as specified.
- Section 6369.2 exempts the sale or purchase of wheelchairs, crutches, canes, walkers, and their replacements parts, when sold to an individual for the personal use of that individual as directed by a physician.
- Section 6369.5 exempts the sale and purchase of medical oxygen delivery systems when sold, leased or rented to an individual for the personal use of that individual as directed by a physician.
- Section 6371 exempts the sale and purchase of medical alert tags, defined as any tag worn by a person for the purpose of alerting others that the wearer of the tag has a medical disability or allergic reaction to certain treatments.

This proposal would add Section 6369.6 to the Sales and Use Tax Law to exempt sales and purchases of items and materials when used to install a chair

lift for the use in the residence of physically handicapped persons. Chair lifts installed in other than a residence of a physically handicapped person would remain subject to tax as under existing statutes.

Section 6369.6 is added to the Revenue and Taxation Code to read:

6369.3 There are exempted from the taxes imposed by this part, the gross receipts from the sale in this state of, and the storage, use, or other consumption in this state of, stair chair systems sold for installation, and items and materials used to install them in the residence of physically handicapped persons.